

forward for women's rights throughout the Nation.

As a member of the Senate Governmental Affairs Committee, Muriel introduced civil service reform amendments to protect employees who provided information on illegal Government activities and mismanagement. Her proposals became the foundation for the well-known "whistleblower" protections that employees have today.

Muriel also actively supported the passage of the Comprehensive Rehabilitation Amendments in 1978, which provided a wide range of new services for the handicapped and the retarded. Prior to her service in the Senate, she became a leading crusader for the disabled.

She had served on a committee for mental retardation during the administration of President Johnson, and she encouraged many reforms to improve mental health and care for the mentally ill.

And above all else, Muriel Humphrey was deeply committed to the enactment of the Humphrey-Hawkins full employment bill. Its goal was to do more to reduce unemployment in communities across the country, and the enactment of this legislation was a major accomplishment for Muriel and the entire Nation.

In every respect, Muriel was a wonderful wife, mother, Senator and leader. She served the American people for 34 years as the wife of our distinguished colleague, Hubert Humphrey, and also in her own right as a highly respected Member of the Senate. She had a remarkable grasp of the issues and a genuine interest in helping others. She earned the respect and admiration of all of us who had the privilege to serve with her, and her spirit and courage and determination will be long remembered by the American people.

My thoughts and prayers are with the Humphrey family. America has lost a unique leader, and the Kennedy family has lost a wonderful friend.

MINIMUM WAGE

Mr. KENNEDY. Mr. President, on another matter, on tomorrow we will have an opportunity to address the issue of an increase in the minimum wage for working Americans, at 2:15 p.m. Starting at 10:30 in the morning, the amendment will be before the U.S. Senate, and we will have that opportunity, with the time equally divided before the luncheon break, to make the case for the increase in the minimum wage for working Americans, those who are on the lower rung of the economic ladder.

This afternoon, in the time which is available, I would like to anticipate and respond to a number of our colleagues who will raise questions about whether it is appropriate to increase the minimum wage at this time.

Throughout the history of the minimum wage, our opponents have claimed that raising the minimum

wage will add to the rate of inflation. Those who oppose fair increases in the wages for working families also claim that unemployment will increase among the workers in this country and, therefore, be counterproductive to the various people we are trying to help.

We have raised it on five different occasions since the end of World War II. So it is fair enough for us to look back on the history of the increases in the minimum wage to find out if there is validity to those particular arguments. And, quite clearly, those arguments have to fail on their face. And I will have an opportunity briefly this afternoon and in a more detailed way to respond to these arguments on tomorrow.

But a basic, fundamental point, Mr. President, that is at the heart of this whole issue is whether we in this country really honor work and whether we think that Americans who work 40 hours a week, 52 weeks of the year ought to live in poverty, that they ought to live in poverty and that their children should live in poverty.

As Americans, we have experienced the most extraordinary economic growth over the period of the last 6 years, with economic growth, price stability, low interest rates, low rates of inflation, declining unemployment. We are also experiencing the longest period of economic growth and price stability in the history of this Nation.

I think we were reminded a week or so ago when we found out that the stock market went down some 300 points. People were saying we lost \$1 trillion in terms of value, and then it bounced back the next day. We see these extraordinary fluctuations. We see the extraordinary creation of wealth in just about every population, except for the low-income, working families in this Nation. They have not been a part of the growth of economic prosperity.

If we look at what happened in this country in the immediate post-war period, from 1948 into the late 1950s through the 1960s, and actually up to 1972. If we divided the economic incomes into what they call quintiles and divide by five, and look at the relative growth in terms of income over a 30-year period, in the post-war period where we had times of recession, inflation, a variety of economic shocks, we come to one very basic and fundamental conclusion. All of those quintiles went up, and went up together. There was merely a 5-point or 10-point percent difference between those at one level and those at another level. All Americans went up together. The rising tide raised all the boats. We did not have this period of economic growth and price stability.

What has happened in the more recent times? In more recent times we have seen the enormous accumulation of wealth among the most fortunate individuals in this country and the wealthiest corporations and an actual

decline in the purchasing power of the minimum wage workers. They have been the big losers. They haven't just been holding steady, they have lost in terms of purchasing power.

We have an opportunity tomorrow to say whether this is fair, right here in the United States of America, among our fellow citizens who are working hard and trying to provide for their families and have hopes and dreams like every Member of this body.

It is interesting that just this last year Members in the U.S. Senate accumulated, with our rate of inflation on our own salaries, the equivalent of more than \$1.50 per hour in 1 year. Do we understand that? Every Member in this body this last year got an increase of more than \$1.50 an hour. And they all effectively took it.

We are talking about the men and women in this country who work as teachers' aides, in nursing homes, and who clean these facilities that we have here in buildings all across America. They are also child care workers or assistants to children. We are asking to provide these workers an increase of 50 cents in January and 50 cents the following year.

We, in the Senate, have taken \$1.50 for ourselves, and I didn't hear many voices in opposition to that. But we will hear a lot of opposition tomorrow about providing 50 cents for these hard-working Americans next year, and 50 cents the following year. We will hear opposition and we will have a vote here in the U.S. Senate. I will be frank and say it is still an uphill battle. We are continuing to make that case, and we are hopeful we will be successful.

How can we possibly justify voting ourselves \$1.50 more an hour, but not for the child care workers, not for the teacher assistants, not for those working in nursing homes and looking after our parents? Why? Because they will say they are worried about inflation and are worried about the impact of the increase of the minimum wage on our total economy—an \$8 trillion total economy. Ten million Americans will get the equivalent of another \$1, spread over a 2-year period. The proposed increases in the minimum wage would amount to a tiny fraction of our total economy.

We are going to hear from some who will say we cannot afford it because it will be an inflator in terms of our economy. It wasn't an inflator when we had an increase for ourselves, but it will be an inflator if we are going to provide the increase for these working families. Many are working, single mothers who are trying to provide for their children. Sixty percent are women who have two or three jobs to try to provide for their families.

We hear a lot on the floor of the U.S. Senate about family values. What about that mother who doesn't have the time to spend with that child on their homework or doesn't have the time to take that child for a walk in the park on a Sunday because they

have to go to another job? When that child asks to go to a birthday party, and the mother says, "You can't because we can't afford a present," what about those family values? What about those family values?

Raising the minimum wage is a fundamental issue of fairness. Are we going to honor work? Are we going to say to our fellow citizens that we, as a nation, have enough sense of common purpose and direction that we believe that many of our neighbors who may not have the kind of training or the education, may have had a life that has been challenging and difficult, may be struggling to try to provide for their families, are not even going to be able to be lifted out of poverty?

We have seen the greatest accumulation of wealth in the history of this Nation, and we have seen the greatest growth of disparity between the most affluent and those who are the neediest workers in our country, and we have seen this disparity grow to be greater than it has ever been in the history of this Nation. This is a very, very small step to try to do a little something about it. In past years, raising the minimum wage has been a bipartisan effort.

This chart reflects basically the points I have been making in the past few moments. This chart shows about where the minimum wage was, in real, constant dollars, from 1955–1998 and beyond, to the year 2000. In 1955, we got the increase in the minimum wage. It went to almost \$6. For the period of the late 1950s, to the 1960s, the 1970s, beginning into the early 1980s, in all that period of time, for some 30 years, the purchasing power for the minimum wage was far above what it would be if we were able to pass the legislation tomorrow to increase the minimum wage by 50 cents next year and 50 cents the following year.

All we are trying to do is get to the bottom, not to the top, of what it would be—\$7.38 in purchasing power. We are trying to just get into the zone. We will still be at the lowest for a period of 30 years, at a time of economic prosperity. These increases that have taken place since 1955 have had Republican and Democratic support. It didn't used to be a partisan issue. But we are just trying to get there.

We have to ask, Is that so unreasonable, Mr. President? Look what happens if we are not successful. If we are not successful in getting the increase in the minimum wage, the purchasing power of the minimum wage, drops back to \$4.82 an hour. By 2000, it drops back to \$4.82. We are just trying to get the minimum wage up to \$6.15. Even by 2000, it will only be worth \$5.76. It will still be well below what the purchasing power has been in here, Mr. President.

This is an extremely modest bill. This gives you the history on this chart. These are working families and individuals, who will and can work, who play by the rules, go out to earn a modest living every single day. If these

workers miss a paycheck, they miss paying the utilities. If they miss a paycheck, they can't afford to provide for the kind of attention to meet health care for a child. If they miss a paycheck, there is no opportunity to provide for children. Nor can they give them a night out at the movies. That is how close this figure is, Mr. President.

Do you know what this \$1 increase represents, Mr. President? That \$1 increase, most of all, means dignity to these workers. That is our No. 1 reason. These workers can free themselves from the reliance on support programs. It gives them a sense of dignity. That is important. We spend a great deal of time around here adding and subtracting and looking at balances. Once in a while, we ought to look at what the real impact is in terms of human quality. It is dignity. It is the fact that men and women can look at their families and know that they have a job that offers them an opportunity to live with some dignity. That is what this is really about.

But look at what this \$1 represents. Some people might say, well, that is not an awful lot. It certainly is for these families. It represents about 6 months of groceries for a family. It represents about 7 months of rent, on average, for a family. It represents two-thirds of the tuition for a community college so that one of their children can go on to a community college. That is the kind of hope and opportunity it means for these families. It is a big deal. It is important. We talk about a billion dollars here and a billion dollars being real money. But this 50 cents and 50 cents—another dollar, over the period of 2 years—is a lot of money for working families.

So, Mr. President, the other issue I will mention very briefly here is whether this adds to the rate of inflation. Mr. President, I want to address these two issues very quickly; that is, what the impact of the increase in the minimum wage is on inflation.

Raising the minimum wage does not fuel inflation. It says on the top of this chart, right here, going back to 1996, in January of 1996 we have three-tenths of 1 percent. This is the inflation rate increase per month during this period of time. It is three-tenths of 1 percent. It dropped here. Then it went up. But, generally speaking, for a period before 9 months, it was three-tenths of 1 percent. It increased it to \$4.75.

Look at what happens to the rate of inflation. It drops back and drops, and it settles on in here. Instead of three-tenths per month, it drops down to two-tenths per month. Then we increase it to \$5.15, and down it goes again, and then up, and then down again. This spans from January of 1996 through June of 1998. That is a pretty clear indication that the two last increases, with the rate of inflation, when we didn't have as favorable an economy as we do today—that effectively there has been no impact on the rate of inflation.

If we look at what the impact of the minimum wage has been on the unemployment rate, again, this chart here represents—these are Bureau of Labor statistics and they are authenticated. If you look back in October of 1996, what the rate of unemployment was, it was just above 5 percent—about 5.2 percent. We saw the increase in the minimum wage and a little blip here, and then we see how it has declined, below 5 percent. It was increased to \$5.15, and the chart settles in now to about 5.5 percent. I think, if we look at the most recent figures, it is down to 4.3 percent.

So the two major arguments have been that it adds to the unemployment rate and it adds to the inflation rate.

The final point I will make, since this is an argument that is raised most recently, as well—maybe it doesn't add to inflation, but let's look at this. The minimum wage doesn't harm small business, it says on this chart. This is a Jerome Levy Economic Institute 1998 survey of 568 small businesses. "Did the recent increase in minimum wage affect hiring or unemployment decisions?" Mr. President, 6.2 percent said yes, 79 percent said no. "Would raising the minimum wage cause you to lay off or hire workers?" Three percent said yes, 93 percent said no. They have a longer study which basically supports this.

We have had the Restaurant Association that has talked about how this was going to be "devastating." But they have increased their employment by 230,000 restaurant workers over this period, although they had predicted an absolute disaster in terms of the restaurant business. That is done by the Bureau of Labor Statistics. So it is important that we try to put this into some kind of perspective.

The basic issue in question is: Are we going to be fair to working Americans? Do we believe that these Americans who are at the lower level of the economic ladder should be able to participate, to some degree, in terms of economic prosperity? Tomorrow, we will have an opportunity to answer that question. I hope that the Senate will vote in favor of providing it.

I thank the Chair and I thank the Senator from Iowa.

Mr. GRASSLEY addressed the Chair. The PRESIDING OFFICER. The Senator from Iowa.

EXTENSION OF MORNING BUSINESS

Mr. GRASSLEY. I ask unanimous consent that morning business be extended for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Iowa is recognized.

(The remarks of Mr. GRASSLEY and Mr. KYL pertaining to the introduction of S.J. Res. 56 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")